



For Immediate Release-Draft

STARWOOD PROPERTY TRUST COMPLETES \$769 MILLION OF INVESTMENTS IN THE SECOND QUARTER 2011

- Portfolio Now Exceeds \$2.4 Billion -

Greenwich, CT (June 27, 2011) Starwood Property Trust (NYSE: STWD) today announced that the Company has invested, quarter to date, a total of \$768.8 million in 21 separate transactions resulting in a total portfolio in excess of \$2.4 billion. The Company's total investments during the quarter were comprised 78% of loans that were originated and 22% of loans that were acquired. Two of the Company's larger loan originations during the quarter that are highlighted below include: a \$175.0 million first mortgage loan on a furniture showroom located in High Point, North Carolina and a \$71.5 million mezzanine loan that is secured by a 45-property portfolio based in Germany that is leased to a German retailer.

The Chairman and Chief Executive Officer of Starwood Property Trust, Barry Sternlicht, remarked, "We have endeavored to finance high quality assets in transactions that are accretive, innovative and add geographic as well as sector diversity to our portfolio. The \$769 million of capital deployed thus far in the quarter is further validation that the Starwood Property Trust platform has a unique ability to drive excess returns for shareholders through our skills in origination, underwriting and risk management. I am pleased that the Company has added an additional European market loan and continues to creatively source off-market transactions. Our pipeline of opportunities remains robust and while we are not always able to control the timing of the closings of our transactions, we continue to source quality transactions that will create long-term value for shareholders."

The \$175.0 million Furniture Mart Loan was structured as a first mortgage loan on the International Home Furnishings Center in High Point, NC. The International Home Furnishings Center is a premier 2.6 million square foot furniture showroom that was recently acquired by a joint venture between Bain Capital Partners, LLC and funds managed by Oaktree Capital Management, L.P. for \$275.0 million. The Furniture Mart loan has an aggregate loan to purchase value of 63% and matures in May 2016. The Company's expected levered return exceeds 12%.

The \$71.5 million Metro Cash and Carry Loan is secured by a portfolio of 45 properties located throughout Germany and are leased to Metro Cash & Carry, a subsidiary of the Metro Group, the largest German retail company and the third largest retailer in the world. The portfolio features approximately 9.7 million square feet, generates approximately €7.3 million of annual net rental income (€5.9 psf) with a weighted average remaining lease term of 12 years and physical occupancy of 93%. The loan has a loan to purchase value of 68.7%, matures in 2017 and is expected to generate an unlevered return in excess of 12%.

About Starwood Property Trust, Inc.

Starwood Property Trust, Inc. (NYSE: STWD) is a commercial real estate finance company that is focused primarily on originating, investing in, financing and managing commercial mortgage loans and other commercial real estate-related debt investments. Starwood Property Trust, Inc. is externally managed and advised by SPT Management, LLC, an affiliate of Starwood Capital Group, and has elected to be taxed as a real estate investment trust for U.S. federal income tax purposes.

Forward Looking Statements

Statements in this press release which are not historical fact may be deemed forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Although Starwood Property Trust, Inc. believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from the Company's expectations include completion of pending investments, continued ability to acquire additional investments, competition within the finance and real estate industries, economic conditions, and other risks detailed from time to time in the Company's reports filed with the SEC.

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